There are approximately 17 non-Socialist industrialized countries vying for the estimated 20-25% remaining share of Cuban imports from non-Socialist countries. In 1981, Canada again ranked first among OECD countries exporting to Cuba followed by Japan, Spain, France, West Germany and Sweden. Our share of the Cuban market for goods sourced in the market economies was very close to one quarter.

Canada-Cuba Trade Relations

Canada and Cuba enjoy excellent trading relations. This past year set new record levels, both for Canadian exports to Cuba and for our imports from that country. For the second consecutive year, our two-way trade surpassed one half billion Canadian dollars, reaching Cdn. $648.8 million, an increase of 13.3% over the previous record set in 1980. In terms of volume, Cuba ranks as the fourth largest export market for Canadian goods in Latin America.

Exports from Canada to Cuba totalled Cdn. $452.3 million in 1981, the highest level ever recorded and 8.6% higher than the previous year. Agricultural commodities, with a combined sales value of Cdn. $360.5 million, represented 80% of total exports. Wheat and flour, continued to represent the majority of our exports. In 1981, these two products, valued at Cdn. $260.9 million, represented 57.7% of all goods exported.

Other important food exports to Cuba include corn (maize), beans, soya bean meal, barley, peas, seed potatoes and skim milk powder. In the "non-edible" product categories, significant volumes of a wide range of products, particularly sulphur, paper products, lumber, tires and tubes, industrial chemicals, refractory bricks and metal fabricated products represent Canadian successes in penetrating the Cuban market.

Cuban exports to Canada have also shown significant increases. In 1981, the value of Cuban goods shipped to Canada totalled Cdn. $196.5 million, representing a 20.2% increase over the Cdn. $163.5 million traded in 1980.

Sales of raw sugar and molasses represented more than 90% of total Canadian imports from Cuba.

Increasingly, however, the underlying fundamental to success in export sales to Cuba is dictated by the financing package offered. Cuban reserves of hard currency are very scarce in comparison to what they wish to buy from western countries.

Investment Climate

In an effort to expand exports, promote tourism, attract much-needed investment capital and modern Western technology, Cuba has decided to promote joint ventures with foreign partners, especially those with production experience and financial resources. The State Committee for Economic Collaboration (CECE) has been delegated the responsibility of promoting the concept of joint production, management and marketing in industrial sectors (excluding sugar, nickel, seafood, tobacco and citrus) where at least one of the ingredients essential for the optimal utilization of plant capacity is missing.

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